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7 VLADI ZAKINOV, et al.,
8 Plaintiffs,
9 v.
10 RIPPLE LABS, INC., et al.,
11 Defendants.

Case No. 18-cv-06753-PJH

**ORDER CONTINUING CMC AND
DECIDING CERTAIN MATTERS
RAISED IN THE JOINT CASE
MANAGEMENT STATEMENT**

Re: Dkt. No. 99

12
13 The court has reviewed the parties' Joint Case Management Statement and
14 Proposed Order. Dkt. 99. The court understands that defendants "intend" to file a motion
15 to dismiss the consolidated first amended complaint ("CFAC"). Id. at 4. Accordingly, the
16 court **CONTINUES** the May 28, 2020 case management conference until it has issued its
17 decision on that motion. At that time, the court will notice the parties with the date and
18 method for the rescheduled conference.

19 The court also understands that the parties dispute whether discovery is proper
20 pending its determination of that anticipated motion. Id. at 5-9. Title 15 U.S.C. § 77z-
21 1(b)(1) generally provides that "[i]n any private action arising under this [§§ 77a-77aa], all
22 discovery and other proceedings shall be stayed during the pendency of any motion to
23 dismiss . . ." 15 U.S.C. § 77z-1(b)(1). As previously decided by the court, plaintiff has
24 adequately stated claims for the unregistered offer and sale of securities in violation of
25 § 77I(a)(1). Dkt. 85 at 23. Accordingly, the court **ORDERS** that discovery in this action
26 remains stayed until this court has issued its decision on defendants' anticipated motion
27 to dismiss the CFAC.

28 The court further understands that the parties disagree about the proper time

1 range of the electronically stored information (“ESI”) subject to the preservation
2 obligations contained in the parties’ proposed stipulated protective order regarding the
3 discovery of ESI (Dkt. 99-1). Dkt. 99 at 14. The court agrees with defendants that, under
4 the alleged facts of this case, an approximate five-year period (beginning on January 1,
5 2015) provides an appropriate and proportional scope for the ESI subject to such
6 obligations. Accordingly, the court will adopt defendants’ position at Section 4(a), and
7 implement any other necessary modifications to the stipulated order, in a subsequent
8 order.

9 Lastly, the court understands that the parties disagree about the propriety of
10 bifurcated discovery. Id. at 9-13. Given the court's decision to stay discovery pending its
11 determination of defendants' anticipated motion to dismiss the CFAC, the court need not
12 address that disagreement at this time. However, the court notes that, based on the
13 parties' arguments and its past practice, it is disinclined to bifurcate discovery once it has
14 commenced.

IT IS SO ORDERED.

Dated: May 26, 2020

/s/ Phyllis J. Hamilton
PHYLLIS J. HAMILTON
United States District Judge